(c) If so, what steps Government propose to take to safeguard the car industry as a whole?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) to (c) The automotive industry has been delicenced in 1991 except for motor car which was also delicenced in 1993. The manufacturer is not required to obtain any licence from the Government for setting up the manufacturing facility. These investment decisions are taken by the manufacturers on commercial basis. Various State Government have their own policies for attracting investment in their respective States and also offer incentives to potential investors which can be negotiated by all such manufacturers.

Wage Negotiations in PSUs

636. SHRI TAPAN KUMAR SEN:
SHRI CHITTABRATA MAJUMDAR:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government have issued guidelines for next round of wage negotiations in Public Sector Undertakings;

(b) if so, the details of the guidelines;

(c) whether the Trade Unions were consulted before issuing these guidelines; and

(d) if not, the reasons therefor?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) Yes, Sir.

(b) The Government has issued guideline on policy for the Seventh Round of Wage negotiations for unionized workers (which falls due on a general basis from 1.1.2007) in Central Public Sector Enterprises (CPSEs). The guidelines *inter alia*, stipulate that the management of CPSEs would be free to negotiate the wage structure, no budgetary support for the wage increase shall be provided by the Government, wage settlement would be for a period of 10 years with 100% DA neutralization with effect from 1.1.2007, wage revision in sick CPSEs registered with Board for Industrial and Financial Reconstruction (BIFR) after approval of the revival plan by BIFR and that such negotiated wages would not come in conflict with the

pay revision of officers and non-unionised supervisors of the respective CPSEs. These are broadly similar to the existing policy on sixth round of wage negotiations in CPSEs.

(c) and (d) The wage negotiations are to be carried out by the managements of respective CPSEs with the workers' unions and issues raised by the unions are discussed and settled by the respective managements and unions during these negotiations, within the framework of the guidelines laid down.

Taking over of BHPVL by BHEL

637. SHRI TAPAN KUMAR SEN:
SHRI CHITTABRATA MAJUMDAR:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government are considering the proposal for take over Bharat Heavy Plate and Vessels Ltd. (Visakhapatnam) by Bharat Heavy Electricals Ltd.; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRY, MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): (a) and (b) Government of India has been making efforts for revival of Bharat Heavy Plate & Vessels Limited (BHPV) and a package was initially submitted to the Board for Reconstruction of Public Sector enterprises (BRPSE) on 21.10.2005. Meanwhile, Bharat Heavy Electicals Limited (BHEL), Engineers India Limited (EIL) and Hindustan Petroleum Corporation Limited (HPCL) evinced interest in BHPV and sought permission from the Government for conducting due diligence study of the company, which was granted.

The BRPSE considered the proposal for revival of BHPV on 26.5.2006 and directed that a proposal may be submitted to it on receipt of the report of due diligence exercise. Once final due diligence study report is received from these companies, BRPSE will be requested for its recommendation in this regard.